

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-01583A



Las Quintas Serenas Water Co.
PO Box 68
Sahuarita, AZ 85629

ANNUAL REPORT

FOR YEAR ENDING

09	30	2006
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entered
4-18-07

FOR COMMISSION USE

ANN04	06
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COMPANY INFORMATION

Company Name (Business Name) <u>Las Quintas Serenas Water Company</u>			
Mailing Address <u>PO BOX 68</u>			
(Street)			
<u>Sahuarita</u>	<u>AZ</u>	<u>85629</u>	
(City)	(State)	(Zip)	
<u>520-625-8040</u>	<u>520-648-3520</u>	<u>520-403-9354</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>lqswater@aol.com</u>			
Local Office Mailing Address <u>PO Box 68</u>			
(Street)			
<u>Sahuarita</u>	<u>AZ</u>	<u>85629</u>	
(City)	(State)	(Zip)	
<u>520-625-8040</u>	<u>520-648-3520</u>	<u>520-403-9354</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>lqswater@aol.com</u>			

MANAGEMENT INFORMATION

Management Contact: _____			
(Name)		(Title)	
_____	_____	_____	_____
(Street)	(City)	(State)	(Zip)
_____	_____	_____	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Kaycee Conger</u>			
(Name)			
<u>75 W. Calle de Las Tiendas</u>	<u>Green Valley</u>	<u>AZ</u>	<u>85614</u>
(Street)	(City)	(State)	(Zip)
<u>520-625-8040</u>	<u>520-648-3520</u>	<u>520-403-9354</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>lqswater@aol.com</u>			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Ray Romero, General Manager

75 W. Calle de Las Tiendas	(Name) Green Valley	AZ	85614
(Street) 520-625-8040	(City) 520-648-3520	(State) 520-403-9354	(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Laurence V Robertson Jr.

PO Box 1448	(Name) Tubac	AZ	85646
(Street)	(City)	(State)	(Zip)

520-398-0411

520-398-0412

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

X Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	217	0	217
304	Structures and Improvements	12,229	1,253	10,976
307	Wells and Springs	314,484	111,431	203,053
311	Pumping Equipment	119,815	84,350	35,465
320	Water Treatment Equipment	1,740	870	870
330	Distribution Reservoirs and Standpipes	99,896	59,943	39,953
331	Transmission and Distribution Mains	903,698	489,491	414,207
333	Services	2,427	546	1,881
334	Meters and Meter Installations	101,418	93,300	8,118
335	Hydrants	0	0	0
336	Backflow Prevention Devices	1,137	541	596
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	22,618	9,075	13,543
341	Transportation Equipment	27,292	14,941	12,351
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	2,592	844	1,748
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	7,589	4,369	3,220
348	Other Tangible Plant	0	0	0
	TOTALS	1,617,152	870,954	746,198

This amount goes on the Balance Sheet Acct. No. 108 

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	0	0	0
302	Franchises	0	0	0
303	Land and Land Rights	217	0	0
304	Structures and Improvements	12,229	3.33%	407
307	Wells and Springs	314,484	3.33%	10,472
311	Pumping Equipment	119,815	12.50%	14,977
320	Water Treatment Equipment	1,740	3.33%	58
330	Distribution Reservoirs and Standpipes	99,896	2.22%	2,218
331	Transmission and Distribution Mains	903,698	2.00%	18,074
333	Services	2,427	3.33%	81
334	Meters and Meter Installations	101,418	8.33%	8,448
335	Hydrants	0	2.00%	0
336	Backflow Prevention Devices	1,137	6.67%	76
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	22,618	6.67%	1,509
341	Transportation Equipment	27,292	20.00%	5,458
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	2,592	5.00%	130
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	7,589	10.00%	759
348	Other Tangible Plant	0	0	0
	TOTALS	1,617,152	N/A	62,667

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
		10/01/05	09/30/06
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$31,125	\$36,248
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	6,374	6,683
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	8,351	3,796
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	185,193	163,739
	TOTAL CURRENT AND ACCRUED ASSETS	\$231,043	\$210,466
	FIXED ASSETS		
101	Utility Plant in Service	\$1,616,344	\$1,617,152
103	Property Held for Future Use	45,062	189,345
105	Construction Work in Progress	0	0
108	Accumulated Depreciation – Utility Plant	(808,287)	(870,954)
121	Non-Utility Property	0	0
122	Accumulated Depreciation – Non Utility	0	0
	TOTAL FIXED ASSETS	\$853,119	\$935,543
	TOTAL ASSETS	\$1,084,162	\$1,146,009

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
		10/01/05	09/30/06
	CURRENT LIABILITES		
231	Accounts Payable	\$0	\$0
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	40,361	39,257
236	Accrued Taxes	21,577	25,413
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	0	0
	TOTAL CURRENT LIABILITIES	\$61,938	\$64,670
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$0	\$0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$0	\$0
252	Advances in Aid of Construction	509,261	426,399
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction *	157,328	283,303
272	Less: Amortization of Contributions *	(70,863)	(118,202)
281	Accumulated Deferred Income Tax	68,490	0
	TOTAL DEFERRED CREDITS	\$664,216	\$591,500
	TOTAL LIABILITIES	\$726,154	\$656,170
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$2,550	\$2,550
211	Paid in Capital in Excess of Par Value	5,180	5,180
215	Retained Earnings	350,278	482,109
218	Proprietary Capital (Sole Props and Partnerships)	0	0
	TOTAL CAPITAL	\$358,008	\$489,839
	TOTAL LIABILITIES AND CAPITAL	\$1,084,162	\$1,146,009

* Includes Off-Site Improvement Fees

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR 09/30/05	CURRENT YEAR 09/30/06
461	Metered Water Revenue	\$295,347	\$344,501
460	Unmetered Water Revenue	0	0
474	Other Water Revenues	6,290	8,915
	TOTAL REVENUES	\$301,637	\$353,416
	OPERATING EXPENSES		
601	Salaries and Wages	\$116,139	\$150,182
610	Purchased Water	0	0
615	Purchased Power	30,614	44,604
618	Chemicals	0	0
620	Repairs and Maintenance	18,938	18,083
621	Office Supplies and Expense	11,085	9,042
630	Outside Services	31,300	8,526
635	Water Testing	5,079	2,343
641	Rents	11,448	11,081
650	Transportation Expenses	7,495	5,235
657	Insurance – General Liability	2,398	2,358
659	Insurance - Health and Life	5,870	7,465
666	Regulatory Commission Expense – Rate Case	6,000	0
675	Miscellaneous Expense	12,073	7,349
403	Depreciation Expense *	32,502	15,328
408	Taxes Other Than Income **	22,192	21,919
408.11	Property Taxes	20,651	19,972
409	Income Tax	50	50
	TOTAL OPERATING EXPENSES	\$333,834	\$323,537
	OPERATING INCOME/(LOSS)	\$(32,197)	\$29,879
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$7,938	\$7,710
421	Non-Utility Income	1,865	7,968
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	0	0
	TOTAL OTHER INCOME/(EXPENSE)	\$9,803	\$15,678
	NET INCOME/(LOSS)	\$(22,394)	\$45,557

* Depreciation.....	\$62,600	\$62,667
Amortization of Contributions & Off-site Improvement Fees	(30,098)	(47,339)
	<u>\$32,502</u>	<u>\$15,328</u>

** Includes adjustment for Deferred taxes of	\$10,411	\$4,076
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 32,762

Meter Deposits Refunded During the Test Year \$ 6,110

COMPANY NAME Las Quintas Serenas Water Company	
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
#5 – 55608531	40	200	513-805	10” – 8”	6”	1976
#6 – 55608530	75	450	837	12”	6”	1971
#7 – 55566940	150	650-850	910	12”	4”	1998

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
N/A		N/A	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
30,000 Gallons	1	3,000 Gallons	1
60,000 Gallons	1	5,000 Gallons	5

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME Las Quintas Serenas Water Company	
Name of System	ADEQ Public Water System Number (if applicable)

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	Copper	250
3	Transite	240
4	Transite	19,840
5	N/A	N/A
6	Transite	32,487
8	Transite	2,760
10	Transite	420
12	Transite	1,340
2	Plastic	1,550
4	Plastic	4,509
6	Plastic	22,398
8	Plastic	1,468
12	Plastic	1,950
6	Ductile Iron	575

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	806
3/4	5
1	35
1 1/2	6
2	3
Comp. 3	1
Turbo 3	0
Comp. 4	2
Tubo 4	0
Comp. 6	0
Tubo 6	0
Standpipe	161

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

Steel portable shed 8' x 20' at Well #5 & Steel portable shed 8' x 40' at Well # 6.

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: Las Quinta Serenas Water Company	
Name of System	ADEQ Public Water System Number (if applicable)

WATER USE DATA SHEET BY MONTH FOR FISCAL YEAR 9/30/2006

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY 2006	1018	10,399,800	11,137,000	0
FEBRUARY 2006	1022	14,338,700	16,327,000	0
MARCH 2006	1021	14,121,200	14,568,400	0
APRIL 2006	1021	14,082,400	14,096,800	0
MAY 2006	1025	15,779,600	16,008,200	0
JUNE 2006	1023	19,526,100	20,697,600	0
JULY 2006	1026	20,844,000	21,738,000	0
AUGUST 2006	1021	15,252,100	16,671,000	0
SEPTEMBER 2006	1018	15,336,500	15,655,000	0
OCTOBER 2005	1018	13,551,300	15,739,000	0
NOVEMBER 2005	1021	13,411,900	14,847,000	0
DECEMBER 2005	1019	12,702,000	12,689,000	0
TOTALS →		179,345,600	190,174,000	0

1021 What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.) Well #5 8.4, Well #6 13.0, Well #7 10.0

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
☒ Yes ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
☒ Yes ☐ No

If yes, provide the GPCPD amount: 121.0

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Las Quintas Serenas Water Company YEAR ENDING 09/30/2005

PROPERTY TAXES

Amount of actual property taxes paid during Fiscal Year 2006 was: \$ 20,837

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Ray Romero, General Manager</u>
COMPANY NAME	<u>Las Quintas Serenas Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>09</u>	<u>30</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Ray Romero
SIGNATURE OF OWNER OR OFFICIAL
520-625-8090
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

18th

DAY OF April

COUNTY NAME	<u>Pima</u>	
MONTH	<u>April</u>	<u>2007</u>

(SEAL)

MY COMMISSION EXPIRES

10/15/09

Stacy Guinn
SIGNATURE OF NOTARY PUBLIC



STACY GUINN
Notary Public - Arizona
Pima County
Expires 10/15/09

See Accountant's Compilation Report

COMPANY NAME Las Quintas Serenas Water Company YEAR ENDING 09/30/2006

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>\$0</u>
Estimated or Actual Federal Tax Liability	<u>\$0</u>

State Taxable Income Reported	<u>\$0</u>
Estimated or Actual State Tax Liability	<u>\$50</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

April 12, 2007
DATE

Ray Romero
PRINTED NAME

General Manager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima
NAME (OWNER OR OFFICIAL) TITLE Ray Romero, General Manager
COMPANY NAME Las Quintas Serenas Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
09	30	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 377,439.31

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 28,539.34
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Ray Romero
SIGNATURE OF OWNER OR OFFICIAL
570-625-8010
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS STACY GUINN DAY OF



STACY GUINN
Notary Public - Arizona
Pima County
Expires 10/15/09

COUNTY NAME	<u>Pima</u>	
MONTH	<u>Sept</u>	<u>2007</u>

Stacy Guinn
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 10/15/09

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Ray Romero	TITLE General Manager
COMPANY NAME Las Quintas Serenas Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
09	30	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 247,718.97

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 20,262.93
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Ray Romero
SIGNATURE OF OWNER OR OFFICIAL

520-625-8040
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

12th

DAY OF

NOTARY PUBLIC NAME <u>Stacy Guinn</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	20 <u>06</u>

(SEAL)

MY COMMISSION EXPIRES



STACY GUINN
Notary Public - Arizona
Pima County
Expires 10/15/09

X

Stacy Guinn

SIGNATURE OF NOTARY PUBLIC

111310346
11/04/2005
789195007

This is a LEGAL COPY of your
check. You can use it the same
way you would use the original
check.

0111310346 11/04/2005
789195007

LAS QUINTAS SERENAS WATER COMPANY P.O. BOX 58 SAHUARITA, AZ 85629		BANK OF AMERICA, NA 222 W. ESPERANZA BLVD. GREEN VALLEY, AZ 85614 91-1701221	7675
PAY TO THE ORDER OF <u>Beth Ford, Pima County Treasurer</u>		\$ **10,428.43	
Ten Thousand Four Hundred Twenty-Eight and 43/100*****		DOLLARS @	
Beth Ford, Pima County Treasurer Pima County Treasurer's Office PO Box 98765 Phoenix, Arizona 85038-0765		OPERATING ACCOUNT	
MEMO 1st Half Year Payment 2005 - Property Taxes		<i>Steve H. Kay</i>	
⑈007675⑈ ⑆122101706⑆		050-060212⑈	

⑈007675⑈ ⑆122101706⑆050⑈060212⑈

⑈0001042843⑈

111310346
789195007
11/04/05

BANK OF AMERICA, NA LAC
⑈00000661⑈ E5125 90 23
11/07/05

BANK OF AMERICA, NA TPE
⑈0001706⑈ E2077 01 P01
11/07/05

BANK OF AMERICA, NA DAL
⑈00000661⑈ E5125 90 011
11/04/05

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ENDORSE HERE

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31

LAS QUINTAS SERENAS WATER COMPANY

P.O. BOX 68
SAHUARITA, AZ 85629

BANK OF AMERICA, NA
222 W. ESPERANZA BLVD.
GREEN VALLEY, AZ 85614
91-170/1221

7906

2/05 932-63-0020 et al

6/2/2006

PAY TO THE ORDER OF Beth Ford, Pima County Treasurer

\$ **10,409.06

Ten Thousand Four Hundred Nine and 06/100*****

DOLLARS

Beth Ford, Pima County Treasurer
Pima County Treasurer's Office
PO Box 98765
Phoenix, Arizona 85038-0765

OPERATING ACCOUNT

Karen Conner

MEMO

2nd Half Year Payment 2005 - Property Taxes

⑈007906⑈ ⑈122101706⑈

050⑈060212⑈

⑈0001040906⑈

JUN - 9 06

VS DATE 06/09/06
P12 E C 445 AZ

BANK OF AMERICA, NA TPE
⑈122101706⑈ E2649 01 P01
06/09/06

220003435

0084 05768

TO THE CREDIT OF
BETH FORD
PIMA COUNTY TREASURER
PIMA COUNTY, ARIZONA
412-724150